

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

(Mark One)

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

For the quarterly period ended September 30, 2024

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 Automotive, Inc.

(Exact name of registrant as specified in its charter)

Delaware

**14600 Myford Road
Irvine, California 92606**

47-3544981

(State or other jurisdiction of incorporation or organization)

(Address of Principal executive offices) (ZIP Code)

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

(888) 748-4261

N/A

(Registrant's telephone number, including area code) (Former name, former address and former fiscal year, if changed since last report)

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

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 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 24, 2024, 1,012,845,465 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.

RIVIAN AUTOMOTIVE, INC.
FORM 10-Q
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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (“Form 10-Q”) 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-Q 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-Q 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, intended use of proceeds from the 2029 Green Convertible Notes (as defined herein) and 2030 Green Convertible Notes (as defined herein), current and expected future investments by Volkswagen Group, and our objectives for future operations.

The forward-looking statements in this Form 10-Q 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 II, Item 1A “Risk Factors”](#) and elsewhere in this Form 10-Q as well as in any subsequent filings. The forward-looking statements in this Form 10-Q are based upon information available to us as of the date of this Form 10-Q, and while we believe such information is 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 you are cautioned not to unduly rely upon these statements.

You should read this Form 10-Q and the documents that we reference in this Form 10-Q and have filed as exhibits to this Form 10-Q 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-Q. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Form 10-Q, whether as a result of any new information, future events or otherwise.

As used in this Form 10-Q, 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.

RISK FACTORS SUMMARY

Our business is subject to a number of risks and uncertainties, including those described in [Part II, Item 1A “Risk Factors”](#) of this Form 10-Q. 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. 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 associated with our business and operations.
- 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.
- 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, electric vehicles (“EVs”).
- 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 are or may be subject to risks associated with strategic alliances or acquisitions.
- 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.
- 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 revenues and profits. If we fail to accurately predict our manufacturing requirements, we could incur additional costs or experience delays.
- A significant portion of our revenues 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.
- We are highly dependent on the services and reputation of Robert J. Scaringe, our Founder and Chief Executive Officer (“CEO”).
- 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.
- 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 permits and other approvals required to build, operate, or expand operations at our manufacturing facilities and face risks in connection with the construction and development of our Stanton Springs North Facility and facilities to support R2 in our Normal Factory.
- 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. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

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

	<u>December 31, 2023</u>	<u>September 30, 2024</u>
ASSETS		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 7,857	\$ 5,396
Short-term investments (Note 3)	1,511	1,343
Accounts receivable, net	161	217
Inventory (Note 4)	2,620	2,680
Other current assets	164	201
Total current assets	<u>12,313</u>	<u>9,837</u>
Property, plant, and equipment, net (Note 5)	3,874	3,819
Operating lease assets, net	356	397
Other non-current assets	235	209
Total assets	<u>\$ 16,778</u>	<u>\$ 14,262</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 981	\$ 617
Accrued liabilities (Note 7)	1,145	887
Current portion of lease liabilities and other current liabilities	361	429
Total current liabilities	<u>2,487</u>	<u>1,933</u>
Long-term debt (includes \$1,030 at fair value as of September 30, 2024) (Note 6)	4,431	5,468
Non-current lease liabilities	324	361
Other non-current liabilities	395	601
Total liabilities	<u>7,637</u>	<u>8,363</u>
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 10 shares authorized and 0 shares issued and outstanding as of December 31, 2023 and September 30, 2024	—	—
Common stock, \$0.001 par value; 3,508 and 3,508 shares authorized and 968 and 1,021 shares issued and outstanding as of December 31, 2023 and September 30, 2024, respectively (Note 12)	1	1
Additional paid-in capital	27,695	28,455
Accumulated deficit	(18,558)	(22,561)
Accumulated other comprehensive income	3	4
Total stockholders' equity	<u>9,141</u>	<u>5,899</u>
Total liabilities and stockholders' equity	<u>\$ 16,778</u>	<u>\$ 14,262</u>

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

RIVIAN AUTOMOTIVE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per share amounts)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Revenues (Note 2)	\$ 1,337	\$ 874	\$ 3,119	\$ 3,236
Cost of revenues	1,814	1,266	4,543	4,606
Gross profit	(477)	(392)	(1,424)	(1,370)
Operating expenses				
Research and development	529	350	1,469	1,239
Selling, general, and administrative	434	427	1,265	1,419
Total operating expenses	963	777	2,734	2,658
Loss from operations	(1,440)	(1,169)	(4,158)	(4,028)
Interest income	126	95	391	302
Interest expense (Note 6)	(55)	(87)	(147)	(237)
Fair value gain (loss) on convertible note, net (Note 6)	—	60	—	(30)
Other income (expense), net	2	1	4	(8)
Loss before income taxes	(1,367)	(1,100)	(3,910)	(4,001)
Provision for income taxes	—	—	(1)	(2)
Net loss	<u>\$ (1,367)</u>	<u>\$ (1,100)</u>	<u>\$ (3,911)</u>	<u>\$ (4,003)</u>
Net loss attributable to common stockholders, basic and diluted	<u>\$ (1,367)</u>	<u>\$ (1,100)</u>	<u>\$ (3,911)</u>	<u>\$ (4,003)</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted (Note 12)	<u>\$ (1.44)</u>	<u>\$ (1.08)</u>	<u>\$ (4.15)</u>	<u>\$ (4.01)</u>
Weighted-average common shares outstanding, basic and diluted	<u>952</u>	<u>1,014</u>	<u>942</u>	<u>998</u>

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in millions)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Net loss	\$ (1,367)	\$ (1,100)	\$ (3,911)	\$ (4,003)
Other comprehensive (loss) income	(2)	5	—	1
Comprehensive loss	<u>\$ (1,369)</u>	<u>\$ (1,095)</u>	<u>\$ (3,911)</u>	<u>\$ (4,002)</u>

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

RIVIAN AUTOMOTIVE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(in millions)

(unaudited)

	Stockholders' Equity					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total
	Shares	Amount				
BALANCE - December 31, 2022	926	\$ 1	\$ 26,926	\$ (13,126)	\$ (2)	\$ 13,799
Capital stock issuance	13	—	5	—	—	5
Stock-based compensation	—	—	286	—	—	286
Other comprehensive income	—	—	—	—	1	1
Net loss	—	—	—	(1,349)	—	(1,349)
BALANCE - March 31, 2023	939	1	27,217	(14,475)	(1)	12,742
Capital stock issuance including employee stock purchase plan	7	—	34	—	—	34
Stock-based compensation	—	—	132	—	—	132
Other comprehensive income	—	—	—	—	1	1
Net loss	—	—	—	(1,195)	—	(1,195)
BALANCE - June 30, 2023	946	1	27,383	(15,670)	—	11,714
Capital stock issuance	10	—	2	—	—	2
Stock-based compensation	—	—	205	—	—	205
Other comprehensive loss	—	—	—	—	(2)	(2)
Net loss	—	—	—	(1,367)	—	(1,367)
BALANCE - September 30, 2023	956	\$ 1	\$ 27,590	\$ (17,037)	\$ (2)	\$ 10,552
BALANCE - December 31, 2023	968	\$ 1	\$ 27,695	\$ (18,558)	\$ 3	\$ 9,141
Capital stock issuance	26	—	1	—	—	1
Stock-based compensation	—	—	374	—	—	374
Other comprehensive loss	—	—	—	—	(1)	(1)
Net loss	—	—	—	(1,446)	—	(1,446)
BALANCE - March 31, 2024	994	1	28,070	(20,004)	2	8,069
Capital stock issuance including employee stock purchase plan	14	—	31	—	—	31
Stock-based compensation	—	—	178	—	—	178
Other comprehensive loss	—	—	—	—	(3)	(3)
Net loss	—	—	—	(1,457)	—	(1,457)
BALANCE - June 30, 2024	1,008	1	28,279	(21,461)	(1)	6,818
Capital stock issuance	13	—	4	—	—	4
Stock-based compensation	—	—	172	—	—	172
Other comprehensive income	—	—	—	—	5	5
Net loss	—	—	—	(1,100)	—	(1,100)
BALANCE - September 30, 2024	1,021	\$ 1	\$ 28,455	\$ (22,561)	\$ 4	\$ 5,899

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

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

	Nine Months Ended September 30,	
	2023	2024
Cash flows from operating activities:		
Net loss	\$ (3,911)	\$ (4,003)
Depreciation and amortization	667	813
Stock-based compensation expense	606	538
Fair value loss on convertible note, net	—	30
Inventory LCNRV write-downs and losses on firm purchase commitments	114	14
Other non-cash activities	46	85
Changes in operating assets and liabilities:		
Accounts receivable, net	(135)	(57)
Inventory	(1,471)	(208)
Other assets	(129)	(41)
Accounts payable and accrued liabilities	220	(339)
Other liabilities	234	269
Net cash used in operating activities	<u>(3,759)</u>	<u>(2,899)</u>
Cash flows from investing activities:		
Purchases of short-term investments	(1,405)	(2,476)
Maturities of short-term investments	225	2,696
Capital expenditures	(728)	(814)
Net cash used in investing activities	<u>(1,908)</u>	<u>(594)</u>
Cash flows from financing activities:		
Proceeds from issuance of capital stock including employee stock purchase plan	39	37
Proceeds from issuance of convertible notes	1,485	1,000
Other financing activities	(15)	(5)
Net cash provided by financing activities	<u>1,509</u>	<u>1,032</u>
Effect of exchange rate changes on cash and cash equivalents	—	—
Net change in cash	(4,158)	(2,461)
Cash, cash equivalents, and restricted cash—Beginning of period	12,099	7,857
Cash, cash equivalents, and restricted cash—End of period	<u>\$ 7,941</u>	<u>\$ 5,396</u>
Supplemental disclosure of non-cash investing and financing activities:		
Capital expenditures included in liabilities	\$ 390	\$ 369
Capital stock issued to settle bonuses	\$ 137	\$ 179
Right-of-use assets obtained in exchange for operating lease liabilities	\$ 66	\$ 122

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

RIVIAN AUTOMOTIVE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. NATURE OF OPERATIONS AND PRESENTATION

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 is primarily the production and sale of EVs in the United States.

Basis of Presentation - Interim Financial Statements

The accompanying condensed 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 interim financial information. Accordingly, they do not include all disclosures, including certain notes, required by U.S. GAAP on an annual reporting basis. These condensed consolidated financial statements are unaudited and, 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. Results for the periods presented are not necessarily indicative of the results that may be expected for any subsequent period. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 (“Form 10-K”). Certain amounts in the prior period condensed consolidated financial statements have been aggregated to conform to current period presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

Accounting estimates are an integral part of the condensed 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, commitments and contingencies, and residual value risk sharing (“RVRS”) liability. The Company believes that the accounting estimates and related assumptions employed by the Company are appropriate and the resulting balances are 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.

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 [Condensed 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 [Condensed Consolidated Statements of Operations](#) and cash flows in “Cash flows from operating activities” in the [Condensed 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 were not material as of December 31, 2023 and September 30, 2024. These derivatives are economic hedges used to manage

RIVIAN AUTOMOTIVE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

overall price risk and have not been designated as hedging instruments. During the three and nine months ended September 30, 2023 and 2024, losses resulting from changes in fair value were not material.

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 or the lessee of JPMorgan Chase Bank, N.A. ("Chase Bank"), the Company's financial institution providing leasing, which generally occurs upon delivery. Revenue from the sale of Electric Delivery Vans ("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.

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 or the lessee of Chase Bank, and continuing through the estimated useful life of the EV.

The Company has an obligation to share a portion of the difference between the residual value realized by Chase Bank at the end of the lease term and the residual value determined at lease inception. This obligation is recorded as a RVRS liability in "Other non-current liabilities" on the [Condensed Consolidated Balance Sheets](#) upon delivery. The RVRS liability is comprised of management's estimate of the amount the Company is expected to pay to Chase Bank at the end of the lease term and is bifurcated from the transaction price. These estimates are based on third-party residual value publications and estimated future prices. The Company reevaluates the adequacy of the RVRS liability on a regular basis and makes revisions when necessary. These estimates are inherently uncertain, especially given the Company's limited history of leases, and more historical experience or updates to benchmarks and projections may cause changes to the RVRS liability in the future. As of September 30, 2024 the RVRS liability was not material.

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.

During the three and nine months ended September 30, 2024, approximately 42% and 39%, respectively, of the Company's revenues were from Chase Bank.

Other Revenues

The Company generates tradable credits from various regulatory standards primarily related to zero-emission vehicles ("ZEVs") and greenhouse gas. The Company sells these credits to other manufacturers. Revenues are recognized at the time control of the regulatory credits is transferred to the purchasing party, and payment is typically received in accordance with customary payment terms. Other revenues consist primarily of sales of vehicle trade-ins ("remarketing"), repair and maintenance services, vehicle accessories, charging, 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, 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-

RIVIAN AUTOMOTIVE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

refundable customer deposits. The following table summarizes the Company's contract liabilities recorded by line item on the [Condensed Consolidated Balance Sheets](#) (in millions):

	December 31, 2023	September 30, 2024
Current portion of lease liabilities and other current liabilities	\$ 88	\$ 96
Other non-current liabilities	133	187
Total contract liabilities	<u>\$ 221</u>	<u>\$ 283</u>

Warranty and Field Service Actions

The Company provides a manufacturer's warranty on new consumer vehicles. A warranty reserve is accrued at the time of sale or once a specific field service action has been 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 identified field service actions. These estimates are based on an analysis of actual claims incurred to date and expectations of the nature, frequency, and costs of future claims by vehicle 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 inherently uncertain, especially given the Company's limited history of sales, and more historical experience or updates to benchmarks and projections may cause material changes to the warranty reserve in the future.

The following table summarizes the Company's warranty and field service action reserve recorded by line item on the [Condensed Consolidated Balance Sheets](#) (in millions):

	December 31, 2023	September 30, 2024
Current portion of lease liabilities and other current liabilities	\$ 91	\$ 118
Other non-current liabilities	184	329
Total warranty reserve	<u>\$ 275</u>	<u>\$ 447</u>

Warranty expense is recorded as a component of "Cost of revenues" in the Company's [Condensed Consolidated Statements of Operations](#). The Company's warranty and field service action activity for the three and nine months ended September 30, 2023 was primarily for warranties issued during the period. The following table presents the warranty and field service action activity for the three and nine months ended September 30, 2024 (in millions):

	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Beginning balance	\$ 389	\$ 275
Warranties issued in period	70	176
Adjustments to pre-existing warranties ¹	4	43
Warranty costs incurred	(16)	(47)
Ending balance	<u>\$ 447</u>	<u>\$ 447</u>

¹ Primarily due to increased expected costs as a result of the Company's updated planned repair strategy in the three months ended June 30, 2024.

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, accounts receivable, customer deposits, derivative instruments, and debt. The Company is exposed to credit risk on cash to the extent that a balance with a financial institution exceeds the 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. The Company is exposed to credit risk on accounts receivable to the extent that counterparties are unable to pay for the sales transaction and on customer deposits to the extent that counterparties are unable to complete the corresponding purchase transaction. The Company is

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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 varies based on many factors, including the duration of the transaction and the contractual terms of the agreement.

As of December 31, 2023 and September 30, 2024, 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 the credit risk management function related to cash equivalents, short-term investments, accounts receivable, and customer deposits. As of December 31, 2023 and September 30, 2024, the counterparties to the Company’s derivative instruments, the ABL Facility lenders, and Chase Bank are financial institutions that 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 input materials or components for the Company’s products. Any inability or unwillingness of the Company’s suppliers to deliver necessary input materials or product components at timing, prices, quality, and volumes that are acceptable to the Company could have a material impact on 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. For example, during the quarter ended September 30, 2024, the Company experienced a production disruption due to a shortage of a component within the Enduro motor system on the R1 and RCV platforms.

Upcoming Accounting Standards Not Yet Adopted

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 chief operating decision maker (“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 the ASU should be applied retrospectively to all prior periods presented in the financial statements. The Company will adopt this ASU for the year ended December 31, 2024 and is currently evaluating the presentational impact, including the determination of whether additional segment expenses will be disclosed.

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 or retrospective 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.

3. FAIR VALUE MEASUREMENTS

Cash and cash equivalents include cash in banks, highly liquid investments, and term deposits with maturities of three months or less recorded in “Cash and cash equivalents” on the [Condensed 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 [Condensed Consolidated Balance Sheets](#).

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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, 2023		September 30, 2024	
	Level	Amount (in millions)	Level	Amount (in millions)
Cash and cash equivalents:				
Cash		\$ 1,245		\$ 924
Money market funds	1	6,070	1	4,397
Commercial paper	2	517	2	25
Term deposits	—	—	2	50
United States Treasury securities	1	25	1	—
Total		\$ 7,857		\$ 5,396
Short-term investments:				
Commercial paper	—	\$ —	2	\$ 148
United States Treasury securities	1	1,061	1	695
Term deposits	2	450	2	500
Total		\$ 1,511		\$ 1,343
Total cash and cash equivalents and short-term investments		\$ 9,368		\$ 6,739

As of December 31, 2023 and September 30, 2024, 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.

Refer to [Note 2 "Summary of Significant Accounting Policies"](#) and [Note 6 "Debt"](#) for more information about the fair value of the Company's derivative instruments and debt, respectively.

4. INVENTORY AND INVENTORY VALUATION

The following table summarizes the components of "Inventory" on the [Condensed Consolidated Balance Sheets](#) (in millions):

	December 31, 2023	September 30, 2024
Raw materials and work in progress	\$ 1,584	\$ 1,696
Finished goods	1,036	984
Total inventory	\$ 2,620	\$ 2,680

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 balance of the Company's inventory was written down by \$319 million and \$130 million from its cost to its net realizable value as of December 31, 2023 and September 30, 2024, respectively. Additionally, the Company has LCNRV losses related to firm purchase commitments which were \$126 million and \$10 million as of December 31, 2023 and September 30, 2024, respectively, and are reflected in the "Inventory" component of "Accrued liabilities" on the [Condensed Consolidated Balance Sheets](#). Refer to [Note 7 "Accrued Liabilities"](#) for more information about Accrued liabilities.

The Company recorded a \$292 million and \$130 million write-down to reflect the LCNRV of inventory as of September 30, 2023 and 2024, respectively, and a \$178 million and \$116 million decrease in the liability for losses on firm purchase commitments from year end to September 30, 2023 and 2024, respectively. As a result, the Company recorded a \$114 million and \$14 million charge to reflect both the LCNRV of inventory and losses on firm purchase commitments as of September 30, 2023 and 2024, respectively, in "Cost of revenues" in the Company's [Condensed Consolidated Statements of Operations](#).

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5. PROPERTY, PLANT, AND EQUIPMENT, NET

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

	December 31, 2023	September 30, 2024
Land, buildings, and building improvements	\$ 972	\$ 1,068
Leasehold improvements	417	479
Machinery, equipment, vehicles, and office furniture	3,068	3,843
Computer equipment, hardware, and software	515	589
Construction in progress	698	416
Total property, plant, and equipment	5,670	6,395
Accumulated depreciation and amortization	(1,796)	(2,576)
Total property, plant, and equipment, net	<u>\$ 3,874</u>	<u>\$ 3,819</u>

Depreciation and amortization expense was \$252 million and \$248 million for the three months ended September 30, 2023 and 2024, respectively, and \$655 million and \$791 million for the nine months ended September 30, 2023 and 2024, respectively.

6. DEBT

The following table summarizes the Company’s outstanding debt:

	Maturity	December 31, 2023		September 30, 2024	
		Amount (in millions)	Effective Interest Rate	Amount (in millions)	Effective Interest Rate
Long-term debt					
2026 Notes	2026	1,250	12.0 %	1,250	11.9 %
2029 Green Convertible Notes	2029	1,500	4.9 %	1,500	4.9 %
2030 Green Convertible Notes	2030	1,725	3.8 %	1,725	3.8 %
2026 Convertible Note (at fair value)	2026	—	— %	1,030	4.8 %
Total long-term debt		4,475		5,505	
Less unamortized discount and debt issuance costs		(44)		(37)	
Long-term debt, less unamortized discount and debt issuance costs		<u>\$ 4,431</u>		<u>\$ 5,468</u>	

ABL Facility

In April 2023, the Company amended and restated the credit agreement governing the ABL Facility. Availability under the ABL Facility is based on the lesser of the borrowing base and the committed \$1,500 million cap and reduced by borrowings and the issuance of letters of credit.

As of September 30, 2024, the Company had no borrowings under the ABL Facility and \$134 million of letters of credit outstanding, resulting in availability under the ABL Facility of \$1,366 million after giving effect to the borrowing base and the outstanding letters of credit. As of September 30, 2024, 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 (the “2026 Notes”) to certain new and existing investors of the Company. As of September 30, 2024, the

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interest rate payable on the 2026 Notes was 11.4%, and the Company was in compliance with all covenants required by the 2026 Notes.

The 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, 2023 and September 30, 2024, the fair value of the 2026 Notes was \$1,250 million and \$1,259 million, respectively.

Green Convertible Notes

2029 Green Convertible Notes

In March 2023, the Company issued \$1,500 million principal amount of green convertible unsecured senior notes due March 2029 (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 of 1933, as amended ("Securities Act"). 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.

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 and September 30, 2024, the fair value of the 2029 Green Convertible Notes was \$2,110 million and \$1,343 million, respectively.

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 accrue interest at a rate of 3.625% per annum, payable semi-annually in arrears on April 15 and October 15.

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 and September 30, 2024, the fair value of the 2030 Green Convertible Notes was \$2,121 million and \$1,372 million, respectively.

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.

2026 Convertible Note

In June 2024, the Company issued \$1,000 million principal amount of an unsecured convertible promissory note due June 2026 ("2026 Convertible Note") in a private placement pursuant to, and governed by, a convertible promissory note purchase agreement dated June 25, 2024, between the Company and Volkswagen International America Inc ("Volkswagen"). The 2026 Convertible Note accrues interest at 4.75% per annum, payable semi-annually in arrears on June 15 and December 15. To the extent the Company elects not to pay accrued interest in cash, such accrued interest shall be capitalized to the unpaid principal balance.

The 2026 Convertible Note will automatically convert into shares of the Company's Class A common stock on December 1, 2024 as all conversion conditions have been satisfied as of September 30, 2024. Half of the then outstanding principal amount will convert at a price of \$10.8359 per share, and the remaining half will convert at a price per share of the Company's Class A common stock based on the Company's 45-trading day volume-weighted average price prior to the conversion date.

The 2026 Convertible Note is eligible for prepayment, either at the Company's or Volkswagen's option, of all outstanding principal and accrued and unpaid interest in June 2025 (if not earlier converted, and which date can be extended in accordance with the terms of the 2026 Convertible Note), with payment occurring no more than three months after June 2025. As the 2026 Convertible Note will automatically convert into shares of the Company's Class A common stock on

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December 1, 2024, this prepayment option will not apply. The 2026 Convertible Note contains a number of affirmative and restrictive covenants.

Upon issuance, the Company has made an irrevocable election to account for the 2026 Convertible Note as a single hybrid instrument under the Fair Value Option (“FVO”) in order to simplify the accounting of the embedded derivative that would otherwise require bifurcation. Under the FVO, the 2026 Convertible Note is initially recognized as a liability measured at issue-date estimated fair value and subsequently re-measured at estimated fair value on a recurring basis at each reporting date with the change in fair value recognized in “Fair value gain (loss) on convertible note, net” in the [Condensed Consolidated Statement of Operations](#). Interest is accrued in “Interest expense” in the [Condensed Consolidated Statement of Operations](#). The 2026 Convertible Note is classified within Level 3 of the fair value hierarchy because the valuation model incorporates significant inputs that are not observable in the market.

The change in fair value of the 2026 Convertible Note as of September 30, 2024 was as follows (in millions):

	2026 Convertible Note
Proceeds received upon issuance	\$ 1,000
Loss on issuance	140
Issue-date estimated fair value	1,140
Gain on change in fair value	(50)
Fair value as of June 30, 2024	1,090
Gain on change in fair value	(60)
Fair value as of September 30, 2024	<u>\$ 1,030</u>

The excess fair value of the 2026 Convertible Note over the principal amount upon issuance was primarily driven by the excess of the Company’s Class A common stock price on the June 26, 2024 issuance date over the \$10.8359 conversion price of the corresponding \$500 million principal amount. The subsequent decreases in the fair value of the 2026 Convertible Note primarily resulted from the decrease in the Company’s Class A common stock price on the reporting dates June 30, 2024 and September 30, 2024 as compared to the issuance-date and June 30, 2024 Class A common stock price, respectively.

The following table presents the difference between the fair value and the unpaid principal balance of the 2026 Convertible Note as of September 30, 2024 (in millions):

	Fair Value	Unpaid Principal Balance	Fair Value Loss on Convertible Note, Net
2026 Convertible Note	\$ 1,030	\$ 1,000	\$ 30

7. ACCRUED LIABILITIES

The following table summarizes the components of “Accrued liabilities” on the [Condensed Consolidated Balance Sheets](#) (in millions):

	December 31, 2023	September 30, 2024
Payroll and related costs	\$ 328	\$ 161
Capital expenditures	263	260
Inventory	241	135
Other products and services	169	103
Other	144	228
Total accrued liabilities	<u>\$ 1,145</u>	<u>\$ 887</u>

During the nine months ended September 30, 2023 and 2024, we carried out certain restructuring actions in order to reduce costs and improve efficiency. As a result, we recognized \$38 million and \$40 million of costs related to employee termination

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expenses during the nine months ended September 30, 2023 and 2024, respectively, and the remaining liability was not material as of September 30, 2024.

8. INCOME TAXES

The Company's provision for income taxes was not material and the effective tax rate was 0% for the three and nine months ended September 30, 2023 and 2024. The Company maintains a valuation allowance on all deferred tax assets except in certain foreign jurisdictions, as it has concluded that it is more likely than not that these assets will not be utilized.

9. 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 restricted stock units ("RSUs"), stock options, and other stock-based awards to employees, non-employee directors, and consultants.

Stock option activity during the nine months ended September 30, 2024 was not material. The following table summarizes the Company's restricted stock unit activity during the nine months ended September 30, 2024:

	RSUs	
	Number of Shares (in millions)	Weighted-Average Grant-Date Fair Value
Outstanding at December 31, 2023	56	\$ 22.36
Granted	72	\$ 10.47
Exercised / Vested	(48)	\$ 16.28
Forfeited / Cancelled	(12)	\$ 19.49
Outstanding at September 30, 2024	<u>68</u>	<u>\$ 14.66</u>
Vested and expected to vest at September 30, 2024	68	\$ 14.66

The following table summarizes the Company's stock-based compensation expense for the Stock Plans and 2021 Employee Stock Purchase Plan ("ESPP") by line item in the [Condensed Consolidated Statements of Operations](#) (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Cost of revenues	\$ 23	\$ 6	\$ 64	\$ 46
Research and development	133	59	289	281
Selling, general, and administrative	86	46	253	211
Total stock-based compensation expense	<u>\$ 242</u>	<u>\$ 111</u>	<u>\$ 606</u>	<u>\$ 538</u>

Stock-based compensation expense decreased in the three and nine months ended September 30, 2024 primarily related to a reversal in the accrual of a previously recorded stock-based bonus expense.

As of September 30, 2024, the Company's unrecognized stock-based compensation expense for unvested awards was \$995 million, which is expected to be recognized over a weighted-average period of 5.1 years and 1.7 years for stock options and RSUs outstanding, respectively.

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10. RELATED PARTY TRANSACTIONS

Revenues

The Company recorded \$401 million and \$171 million for the three months ended September 30, 2023 and 2024, respectively, and \$715 million and \$742 million for the nine months ended September 30, 2023 and 2024, respectively, in revenues from Amazon.com, Inc. and its affiliates ("Amazon"), within "Revenues" in the [Condensed Consolidated Statements of Operations](#), primarily related to the sale of EDVs. As of December 31, 2023 and September 30, 2024, the uncollected amounts related to these revenues in "Accounts receivable, net" on the [Condensed Consolidated Balance Sheets](#) were \$6 million and \$35 million, respectively. As of December 31, 2023 and September 30, 2024, contract liabilities related to these revenues, primarily related to extended service contracts, were \$72 million and \$110 million, respectively. Refer to [Note 2 "Summary of Significant Accounting Policies"](#) for more information about revenues.

Operating Expenses

The Company obtains data services, including hosting, storage, and compute, from Amazon. Expenses related to these services were \$15 million and \$25 million during the three months ended September 30, 2023 and 2024, respectively, and \$46 million and \$65 million during the nine months ended September 30, 2023 and 2024, respectively. As of December 31, 2023 and September 30, 2024, the unpaid amounts related to these services were not material.

11. COMMITMENTS AND CONTINGENCIES

Legal Proceedings and Loss Contingencies

The Company is involved in legal proceedings and evaluates other loss contingencies primarily comprised of supplier disputes, which can be, for example, a result of changing demand forecasts or design modifications, along with commercial litigation which may result in liabilities of the Company. Although the Company believes it has valid defenses with respect to these matters, as of December 31, 2023 and September 30, 2024, the Company recorded approximately \$80 million and \$140 million, respectively, for estimated probable losses related to these matters in "Accrued liabilities" on the [Condensed Consolidated Balance Sheets](#). As of September 30, 2024, the Company estimates it is reasonably possible that losses in excess of the accrued liability could occur, up to approximately \$295 million, or an excess of \$155 million over the accrued liability recorded. The Company expects the majority of the matters to be resolved within the next 12 to 24 months.

12. STOCKHOLDERS' EQUITY AND NET LOSS PER SHARE

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, 2023 and September 30, 2024, 960 million and 1,013 million shares of Class A common stock were issued and outstanding, respectively. As of December 31, 2023 and September 30, 2024, 8 million shares of Class B common stock were issued and outstanding. As of December 31, 2023 and September 30, 2024, 3,500 million shares of Class A common stock and 8 million shares of Class B common stock were authorized.

Because the rights of the holders of Class A and Class B common stock, including liquidation and dividend rights, are identical except with respect to voting and conversion rights, undistributed earnings are allocated on a proportionate basis. 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.

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, 2026 Convertible Note, stock options, unvested RSUs, shares underlying the Company's ESPP, other stock-based awards, and stock warrants. Potential shares of common stock are excluded from the computation of diluted net loss per share if their effect 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 the Green Convertible Notes, 2026 Convertible Note, stock options with a market condition, and other stock-based awards. The

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following table presents the number of potential shares of common stock outstanding as of the end of each period that were excluded from the computation of diluted net loss per share for each period (in millions):

	Three and Nine Months Ended September 30,	
	2023	2024
Green Convertible Notes	75	149
2026 Convertible Note	—	83
Stock warrants	12	12
Stock options	62	61
RSUs, ESPP, and other stock-based awards	70	73
Total	<u>219</u>	<u>378</u>

Privately negotiated capped call transactions (“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):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Numerator				
Net loss attributable to Rivian	\$ (1,367)	\$ (1,100)	\$ (3,911)	\$ (4,003)
Net loss attributable to common stockholders, basic and diluted	<u>\$ (1,367)</u>	<u>\$ (1,100)</u>	<u>\$ (3,911)</u>	<u>\$ (4,003)</u>
Denominator				
Weighted-average Class A and Class B common shares outstanding - basic	952	1,014	942	998
Effect of dilutive securities	—	—	—	—
Weighted-average Class A and Class B common shares outstanding - diluted	<u>952</u>	<u>1,014</u>	<u>942</u>	<u>998</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	<u>\$ (1.44)</u>	<u>\$ (1.08)</u>	<u>\$ (4.15)</u>	<u>\$ (4.01)</u>

Item 2. 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 condensed consolidated financial statements and related notes included in [Part I, Item 1 “Financial Statements”](#) of this Quarterly Report on Form 10-Q (“Form 10-Q”), as well as our audited consolidated financial statements and related notes as disclosed in our Form 10-K for the year ended December 31, 2023. 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 in this Form 10-Q, particularly those identified under [Part II, Item 1A “Risk Factors”](#). Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

Overview

Rivian is an American automotive manufacturer that develops and builds category-defining EVs, and accessories. Rivian creates innovative and 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 consumer and commercial customers. The Company provides a full suite of services that address the entire lifecycle of the vehicle and stay true to its 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.

In the consumer market, we launched the R1 platform with our first consumer vehicles: the R1T, a two-row five-passenger pickup truck, and the R1S, a three-row seven-passenger sport utility vehicle (“SUV”).

In the commercial market, we launched the Rivian Commercial Van (“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 globally, subject to modification. In addition to the EDV variant, we also intend to sell RCV variants of the commercial van to customers beyond Amazon.

During the nine months ended September 30, 2024, we produced 36,749 vehicles and delivered 37,396 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 II, 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 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 revenues and expand margins will also depend on our ability to develop and launch new vehicle platforms and programs, including our midsize platform (“MSP”). In the first quarter of 2024, we unveiled our new MSP which underpins our R2 and R3 product lines and offered the opportunity for customers to make reservations for the R2 with a cancellable and fully refundable deposit of \$100. We expect to start production of the R2 in 2026. We believe the MSP will be foundational to Rivian’s long-term growth and profit potential. It positions Rivian to address new, global market segments and is designed to build upon our industry-leading technology platform as well as focus on reducing manufacturing complexity. We expect MSP to benefit from the key vertically integrated technologies developed for R1 including our in-house software stack, propulsion technology, network architecture, and vehicle electronics. In addition, the platform has been designed for cost efficiency, with a focus on part consolidation or elimination. In the second quarter of 2024, we began offering our second generation R1 vehicles, which have been reengineered for more efficiency and higher performance. In the third quarter of 2024, we launched the Rivian pre-owned vehicle program which expands opportunities to gain new customers. Our future financial performance will

also depend on our ability to offer services that deliver an intuitive, seamless, and compelling customer 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 currently have low brand awareness but through our investments in marketing and our communication strategy, we expect to see substantial increases in brand awareness and for that to translate into more orders for our vehicles and, as a result, increase our base of Rivian customers. Marketing activities include brand campaigns, such as MSP and second generation R1 introduction events in the first and second quarter of 2024, respectively, community events, partnerships, and digital marketing. 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 for our R1 vehicles 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, offering the sale of Rivian pre-owned vehicles, and building our sales and marketing team, technology, and infrastructure, which increases our costs and adversely impacts our 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 revenues or improve our financial performance.
- **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. In the first quarter of 2024, we announced that initial production of R2 will be at our Normal Factory and our expansion of production capacity to approximately 215,000 units of annual production. This shift of initial R2 production to our Normal Factory temporarily pauses construction of our planned future manufacturing facility near Atlanta, Georgia (“Stanton Springs North Facility”) in order to focus on the expansion of our Normal Factory. Significant capital expenditures will be required to support the integration of R2 into our Normal Factory. Our future capital requirements are subject to uncertainty and our actual capital requirements may be different from or greater than those we currently anticipate. Our future profitability depends upon our ability to scale our production and delivery operations more efficiently at a lower cost per unit. Following the plant retooling upgrade during the second quarter of 2024, we have experienced improved manufacturing efficiencies. As the production ramp continues, we anticipate these benefits to reduce our cost per vehicle. As a result of the updates made to our Normal Factory during the plant retooling upgrade, we accelerated depreciation during the first and second quarter of 2024 and had higher overhead per unit costs due to lower production in the second quarter of 2024. We may incur impairments of our equipment in the plant if the utilization of our plant capacity does not increase in the future. The introduction of our second generation R1 vehicles has reduced material costs as a result of engineering design changes and improvements in supplier commercial terms. In addition, we expect to leverage previous technologies and platforms while growing sales and service infrastructure to support R2. Achieving cost reductions requires, among other things, a timely launch and associated ramp of R2 and scaling our overall production volume, 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 cost 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. We believe our planned joint venture with Volkswagen Group (the “Rivian and VW JV”) announced in June 2024 reaffirms our strategy to vertically integrate our technology platform. The Rivian and VW JV, which remains subject to the parties entering into definitive agreements, is expected to substantially expand the market applications for our software and associated zonal electrical architecture.

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 Direct Current fast charging sites (“Rivian Adventure Network”), and charging accessibility will be critical for supporting growth. During the first quarter of 2024, Rivian vehicles gained integrated access to over 15,000 Tesla Superchargers in the United States on the North American Charging Standard. We also plan to open up the Rivian Adventure Network to non-Rivian EVs in late 2024 allowing us to leverage the fixed costs associated with each charging site, which we expect will turn each charging site into a profit center over time and allows us to meet one of the key requirements for the government grants associated with expanding domestically manufactured fast chargers across the country. We have expanded our service centers and spaces to allow for enhanced product education and customer engagement. We believe our long-term ability to achieve our financial targets will depend on our ability to cost-effectively scale our ecosystem, while also delivering a unified customer and brand experience consistent with our adventurous brand commitment.

- **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, insurance, vehicle maintenance and repair, charging, and FleetOS solutions that we believe will grow our revenues outside of vehicle sales. In addition, in the fourth quarter of 2024 we began offering Connect+, a subscription-based streaming and connectivity service, and expect to offer Rivian Autonomy Platform+, a premium expansion of automated driver assistance support, in the future. 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 enabling a higher-margin, recurring revenue stream for each vehicle, therefore improving our margin profile. Our ability to grow revenues and our long-term financial performance will depend in part on our ability to drive adoption of these 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 executed a plant retooling upgrade in the second quarter of 2024 to introduce new technologies and cost-oriented material changes into our R1 platform and retool the R1 production line, which temporarily impacted our production. As we invest in our business for long-term growth, leading to increases in operating expenses as well as capital expenditures, we may experience further manufacturing shutdowns and additional losses, which could delay our ability to achieve profitability and positive operating cash flow. For example, we plan to shut down our Normal Factory in the second half of 2025 to integrate key elements of our manufacturing process in preparation for the R2 launch, which will temporarily impact our overall production. In the first quarter of 2024, we announced that initial production of R2 will occur at our Normal Factory and the expansion of our production capacity to 215,000 units of annual production, which we believe will allow us to drive greater capital efficiency. 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 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. The imposition of tariffs and other trade barriers may make it more costly for us to import raw materials and product components for our vehicles. 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. Given the supplier changes related to the introduction of new vehicle technologies to the R1 platform, which occurred during the second quarter of 2024, we believe our production ramp and rate in our Normal Factory may be limited by supply chain factors in the near-future. For example, during the third quarter of 2024, Rivian began experiencing a production disruption due to a shortage of a component within our Enduro motor system on the R1 and RCV platforms. As a result of this supply shortage, Rivian produced fewer vehicles during the third quarter of 2024. We are taking steps to address the shortage and the impact on production is continuing into the fourth quarter of 2024.

Additionally, 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 11 “Commitments and Contingencies”](#) to our condensed consolidated financial statements included in this Form 10-Q 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.

- **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 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 revenues in the spring and summer months. Additionally, we typically 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. Despite typical seasonality, we expect to deliver additional EDVs during the fourth quarter of 2024.
- **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. In May 2024, we entered into a REV Tax Credit Agreement with the State of Illinois acting by and through the Department of Commerce and Economic Opportunity (“DCEO”) through which we are eligible for an incentive package valued at up to \$827 million which includes tax credits, exemptions and grants which will go towards plant expansion, improvements in public infrastructure, and job training programs. 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 Interest Rates.** The United States economy has experienced elevated inflation in various market segments over the last several years. In order to help slow inflation, the Federal Reserve Bank in the United States raised interest rates rapidly and substantially and interest rates have remained elevated. This has impacted vehicle financing affordability to customers and may influence customers’ buying decisions to less expensive vehicles, or may cause tightening of 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 order bank, we could experience an adverse impact to our business, prospects, financial condition, results of operations, and cash flows.

Results of Operations

The following tables set forth our consolidated results of operations and production and delivery volumes for the periods presented (in millions, except for production and delivery volumes). The period-to-period comparisons of our historical results are not necessarily indicative of the results that may be expected in the future.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2024	2023	2024
Revenues	\$ 1,337	\$ 874	\$ 3,119	\$ 3,236
Cost of revenues	1,814	1,266	4,543	4,606
Gross profit	(477)	(392)	(1,424)	(1,370)
Operating expenses				
Research and development	529	350	1,469	1,239
Selling, general, and administrative	434	427	1,265	1,419
Total operating expenses	963	777	2,734	2,658
Loss from operations	(1,440)	(1,169)	(4,158)	(4,028)
Interest income	126	95	391	302
Interest expense	(55)	(87)	(147)	(237)
Fair value gain (loss) on convertible note, net	—	60	—	(30)
Other income (expense), net	2	1	4	(8)
Loss before income taxes	(1,367)	(1,100)	(3,910)	(4,001)
Provision for income taxes	—	—	(1)	(2)
Net loss	\$ (1,367)	\$ (1,100)	\$ (3,911)	\$ (4,003)
Production volume	16,304	13,157	39,691	36,749
Delivery volume	15,564	10,018	36,150	37,396

Comparison of the Three and Nine Months Ended September 30, 2023 and 2024

Revenues

(in millions, except delivery volume)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Revenues	\$ 1,337	\$ 874	\$ (463)	(35)%	\$ 3,119	\$ 3,236	\$ 117	4 %
Delivery volume	15,564	10,018	(5,546)	(36)%	36,150	37,396	1,246	3 %

Revenues decreased compared to the three months ended September 30, 2023 primarily due to a decrease in deliveries of 5,546 vehicles. A portion of the decrease was driven by timing of higher EDV deliveries in the third quarter of 2023 following the first quarter of 2023 line shutdown. The remaining portion of the decrease was driven in part from our production disruption causing a limited number of R1 variants being available for sale and a more challenging consumer environment. We also recognized \$8 million in revenue for the sale of regulatory credits in the three months ended September 30, 2024, with no sales in the three months ended September 30, 2023.

Revenues increased compared to the nine months ended September 30, 2023 primarily due to an increase in deliveries of 1,246 vehicles, driven in part from our vehicle leasing program, an increase in repair and maintenance revenue, and sales of vehicle trade-ins. We also recognized \$25 million in revenue for the sale of regulatory credits, compared to \$34 million in the nine months ended September 30, 2023.

We expect to increase our non-vehicle revenue, including the sale of regulatory credits, over time.

Cost of revenues and gross profit

<i>(in millions, except production and delivery volumes)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Cost of revenues	\$ 1,814	\$ 1,266	\$ (548)	(30)%	\$ 4,543	\$ 4,606	\$ 63	1 %
Gross profit	\$ (477)	\$ (392)	\$ 85	18 %	\$ (1,424)	\$ (1,370)	\$ 54	4 %
Production volume	16,304	13,157	(3,147)	(19)%	39,691	36,749	(2,942)	(7)%
Delivery volume	15,564	10,018	(5,546)	(36)%	36,150	37,396	1,246	3 %

For the three months ended September 30, 2024, we incurred cost of revenues of \$1,266 million, including \$186 million of depreciation and amortization expense. Cost of revenues for the third quarter of 2024 improved primarily due to lower delivery volume. This was partially offset by an increase of \$22 million of costs we do not anticipate being part of our long-term cost structure which was made up of cost of revenue efficiency initiatives primarily related to certain supplier liabilities incurred.

For the nine months ended September 30, 2024, we incurred cost of revenues of \$4,606 million, including \$599 million of depreciation and amortization expense. Cost of revenues for the nine months ended September 30, 2024 increased by \$228 million of costs we do not anticipate being part of our long-term cost structure. This was made up of \$158 million of cost of revenue efficiency initiatives primarily related to certain supplier liabilities incurred and \$70 million of accelerated depreciation associated with the updates made to our Normal Factory during the plant retooling upgrade. This was offset by an improvement in materials' costs from our second generation R1 vehicles.

The Company recorded a \$114 million and \$14 million charge to reflect the lower of cost or net realizable value ("LCNRV") of inventory and losses on firm purchase commitments for the nine months ended September 30, 2023 and 2024, respectively. The decrease in LCNRV write-downs of inventory and losses on firm purchase commitments is primarily due to an increase in projected positive-margin variants and a decrease in estimated materials' costs for the projected negative-margin variants. We expect LCNRV write-downs of inventory and losses on firm purchase commitments to continue to decrease over time as we further reduce the cost to manufacture our products.

Gross profit losses decreased compared to the three months ended September 30, 2023 primarily due to lower delivery volume. Gross profit losses per unit increased primarily due to an increase in cost of revenue efficiency initiatives and smaller reduction in LCNRV of inventory and losses on firm purchase commitments described above.

Gross profit losses decreased compared to the nine months ended September 30, 2023 primarily due to reductions in materials' costs per unit partially offset by an increase in cost of revenue efficiency initiatives and accelerated depreciation and smaller reduction in LCNRV of inventory and losses on firm purchase commitments described above.

Research and development

<i>(in millions)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Research and development	\$ 529	\$ 350	\$ (179)	(34)%	\$ 1,469	\$ 1,239	\$ (230)	(16)%

For the three months ended September 30, 2024, we incurred R&D expenses of \$350 million, including \$20 million of depreciation and amortization expense. R&D expenses decreased compared to the three months ended September 30, 2023, primarily due to a \$74 million decrease in stock-based compensation expense primarily related to a reversal in the accrual of a previously recorded stock-based bonus expense and decreased grants, a \$57 million decrease in engineering, design, and development costs and other related project costs primarily surrounding the R1 platform design and technology upgrades, and a \$30 million decrease in depreciation and amortization.

For the nine months ended September 30, 2024, we incurred R&D expenses of \$1,239 million, including \$56 million of depreciation and amortization expense. R&D expenses decreased compared to the nine months ended September 30, 2023, primarily due to a \$142 million decrease in engineering, design, and development costs and other related project costs primarily surrounding the R1 platform design and technology upgrades.

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

Selling, general, and administrative

<i>(in millions)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Selling, general, and administrative	\$ 434	\$ 427	\$ (7)	(2)%	\$ 1,265	\$ 1,419	\$ 154	12 %

For the three months ended September 30, 2024, we incurred SG&A expenses of \$427 million, including \$53 million of depreciation and amortization expense. SG&A expenses remained relatively flat compared to three months ended September 30, 2023, with a \$40 million decrease in stock-based compensation expense primarily related to a reversal in the accrual of a previously recorded stock-based bonus expense offset by a \$23 million increase in depreciation and amortization and a \$17 million increase in sales and marketing expenses to support go-to-market operations.

For the nine months ended September 30, 2024, we incurred SG&A expenses of \$1,419 million, including \$158 million of depreciation and amortization expense. SG&A expenses increased compared to the nine months ended September 30, 2023, primarily due to a \$76 million increase in depreciation and amortization, a \$73 million increase in payroll and related expenses predominantly from an increase in service headcount, and \$37 million increase in sales and marketing expenses to support go-to-market operations partially offset by a \$42 million decrease in stock-based compensation expense primarily related to decreased stock-based bonus.

We plan to make continued investments in our facilities, go-to-market operations, and technology for our future operations.

Other income (expense)

<i>(in millions)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2024	\$ Change	% Change	2023	2024	\$ Change	% Change
Interest income	\$ 126	\$ 95	\$ (31)	(25)%	\$ 391	\$ 302	\$ (89)	(23)%
Interest expense	\$ (55)	\$ (87)	\$ (32)	58 %	\$ (147)	\$ (237)	\$ (90)	61 %
Fair value gain (loss) on convertible note, net	\$ —	\$ 60	\$ 60	nm	\$ —	\$ (30)	\$ (30)	nm
Other income (expense), net	\$ 2	\$ 1	\$ (1)	(50)%	\$ 4	\$ (8)	\$ (12)	(300)%

*nm-not meaningful

Interest income decreased for the three months ended September 30, 2024 compared to the three months ended September 30, 2023, primarily due to lower average cash equivalents and short-term investments.

Interest income decreased for the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023, primarily due to lower average cash equivalents and short-term investments partially offset by higher interest rates.

Interest expense increased for the three and nine months ended September 30, 2024 compared to the three and nine months ended September 30, 2023, primarily due to the issuance of the Green Convertible Notes in 2023 and higher interest rates. See [Note 6 “Debt”](#) to our condensed consolidated financial statements included in this Form 10-Q for more information.

Fair value gain (loss) on convertible note, net reflects the issuance and subsequent mark-to-market valuations of the 2026 Convertible Note issued in the three months ended June 30, 2024. See [Note 6 “Debt”](#) to our condensed consolidated financial statements included in this Form 10-Q for more information.

Provision for income taxes

As of September 30, 2023 and 2024, the majority of our deferred tax assets were comprised of net operating losses generated primarily in the United States and tax credit carryforwards, and for both periods, these assets were fully offset by a valuation allowance.

Liquidity and Capital Resources

Our operations have been financed primarily through net proceeds from the sale of securities, including in our IPO, and from borrowings. The following table summarizes our liquidity (in millions):

	December 31, 2023	September 30, 2024
Cash and cash equivalents	\$ 7,857	\$ 5,396
Short-term investments	1,511	1,343
Availability under ABL Facility	1,100	1,366
Total liquidity	<u>\$ 10,468</u>	<u>\$ 8,105</u>

In May 2024, we entered into a REV Tax Credit Agreement with the State of Illinois acting by and through the DCEO in which we agreed to renovate and expand our existing manufacturing operations at our Normal Factory (the "Project"), make capital expenditures of at least \$1.5 billion by December 31, 2029, create new full-time jobs, and also to retain a number of existing full-time jobs in Illinois. As consideration for and as a condition to the commitments defined within the agreement, we are eligible for an incentives package valued at up to \$827 million, including tax credits and exemptions, and grants to offset eligible costs of the Project. Tax credits will be eligible for issuance for an initial period of 15 years, with an opportunity for an additional fifteen-year extension. In October 2024, we received \$75 million in connection with this agreement.

In June 2024, we issued \$1.0 billion principal amount of a 2026 Convertible Note in a private placement pursuant to, and governed by, a convertible promissory note purchase agreement dated June 25, 2024, between the Company and Volkswagen Group. The 2026 Convertible Note will automatically convert into shares of the Company's Class A common stock on December 1, 2024 as all conversion conditions have been satisfied as of September 30, 2024. Half of the then outstanding principal amount will convert at a price of \$10.8359 per share, and the remaining half will convert at a price per share of the Company's Class A common stock based on the Company's 45-trading day volume-weighted average price prior to the conversion date. See [Note 6 "Debt"](#) to the condensed consolidated financial statements included in this Form 10-Q for more information on the 2026 Convertible Note. In addition, we expect to receive an additional approximately \$4.0 billion from Volkswagen Group comprised of approximately \$2.0 billion of direct equity investment which is expected to take place in at least two tranches of \$1.0 billion currently expected in 2025 and 2026, subject to the achievement of certain milestones and obtaining relevant regulatory clearances, priced based on the 30-trading day volume-weighted average price of our Class A common stock prior to the date of investment, and approximately \$2.0 billion related to the planned Rivian and VW JV, which is expected to be split between a payment to us at the inception of the Rivian and VW JV, currently expected to occur in the fourth quarter of 2024, and a loan expected to be made available to one of our subsidiaries in 2026, subject to customary financing conditions. The Rivian and VW JV is subject to the parties' entrance into definitive agreements and there can be no assurance that any related regulatory approvals, conditions, or milestones associated with the remaining anticipated investments or financing by Volkswagen Group will be achieved. The planned additional investments by Volkswagen Group and our current cash, cash equivalents, and short-term investments are expected to provide the capital to fund our operations through the ramp of R2 in our Normal Factory as well as the launch and ramp of MSP in our Stanton Springs North Facility. In addition, we anticipate incremental benefits through savings on material costs, operating expense efficiencies, and future revenue opportunities with the Rivian and VW JV.

We have generated significant losses from operations, as reflected in our accumulated deficit of \$18,558 million and \$22,561 million as of December 31, 2023 and September 30, 2024, 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 significant capital investments over the next several years to focus on ramping up production as we strategically expand infrastructure, including additional manufacturing capacity. We also anticipate continuing to make significant investments in future growth initiatives, including vehicle and other technology and software, tooling for current vehicle platforms, future vehicle manufacturing lines, and our service and retail network.

As of December 31, 2023, our non-cancellable commitments are disclosed in Note 5 “Inventory and Inventory Valuation”, Note 7 “Leases”, Note 8 “Debt”, and Note 14 “Commitments and Contingencies” to the consolidated financial statements in our Form 10-K. As of September 30, 2024, our non-cancellable commitments are disclosed in [Note 4 “Inventory and Inventory Valuation”](#), [Note 6 “Debt”](#), and [Note 11 “Commitments and Contingencies”](#) to the condensed consolidated financial statements included in this Form 10-Q.

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 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 agreements governing such debt could provide for operational 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 could adversely affect our ability to achieve our business objectives.

Cash Flows

<i>(in millions)</i>	Nine Months Ended September 30,	
	2023	2024
Net cash used in operating activities	\$ (3,759)	\$ (2,899)
Net cash used in investing activities	\$ (1,908)	\$ (594)
Net cash provided by financing activities	\$ 1,509	\$ 1,032

Operating Activities

Net cash used in operating activities decreased during the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023, primarily driven by higher build up of inventory levels in the prior year partially offset by lower accounts payable.

Investing Activities

Net cash used in investing activities decreased during the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023, primarily driven by higher maturities of short-term investments partially offset by purchases of short-term investments. During the nine months ended September 30, 2024, we continued to invest in the growth of our business at our Normal Factory, our next generation vehicle platforms and technologies, and our go-to-market infrastructure.

Financing Activities

Net cash provided by financing activities during the nine months ended September 30, 2023 was primarily driven by proceeds from the issuance of the 2029 Green Convertible Notes. Net cash provided by financing activities for the nine months ended September 30, 2024 was primarily driven by the 2026 Convertible Note.

Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. In preparing the condensed consolidated financial statements, we make estimates and judgments that affect the reported amounts of assets, liabilities, stockholders’ deficit or equity, revenues, and expenses, and related disclosures. We re-evaluate our estimates on an ongoing basis. Our estimates are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Because of the uncertainty inherent in these matters, actual results may differ from these estimates and could differ based upon other assumptions or conditions, and such differences may be material. The critical accounting policies that

reflect the more significant judgments and estimates used in the preparation of our condensed consolidated financial statements include those described in Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Form 10-K. During the nine months ended September 30, 2024, there were no material changes to our critical accounting policies and estimates from those discussed in the Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our exposure to market risk as a result of our financial instruments for the year ended December 31, 2023 is described under Part II, Item 7A “Quantitative and Qualitative Disclosures about Market Risk” in the Form 10-K.

During the nine months ended September 30, 2024, we issued the 2026 Convertible Note. As we have elected the fair value option, the 2026 Convertible Note’s fair value is subject to market risk and will generally increase as our Class A common stock price increases and will generally decrease as our Class A common stock price decreases. A hypothetical 10% change in our Class A common stock price would impact the fair value of the 2026 Convertible Note by approximately \$50 million. In addition, as the 2026 Convertible Note has a fixed annual interest rate, we have no interest expense exposure associated with changes in interest rates; however, the 2026 Convertible Note fair value is impacted as interest rates change and will generally increase as interest rates fall and decrease as interest rates rise. A hypothetical 100 basis point change in interest rates would impact the fair value of the 2026 Convertible Note by an amount that is not material. See [Note 6 “Debt”](#) to the condensed consolidated financial statements included in this Form 10-Q for more information on the 2026 Convertible Note.

There were no other material changes in our exposure to market risk as a result of our financial instruments.

Item 4. Controls and Procedures

Evaluation of Disclosure 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.

Our management, with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of September 30, 2024. Based on that evaluation, our CEO and CFO concluded that, as of September 30, 2024, the Company’s disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

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 September 30, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. 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, 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, are claims for trade secret misappropriation against Rivian and various individual defendants and breach of contract 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 the Rivian defendants and the underwriter defendants’ motions to dismiss were granted with leave to amend. An 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 *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 Securities Act of 1933 and seeks damages, declaratory judgment and attorneys’ fees and costs. Defendants filed a Motion to Dismiss the Complaint on April 6, 2023, which was granted by Order dated June 30, 2023. Plaintiffs filed a Notice of Appeal on 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. By Order dated September 30, 2024, the Georgia Court of Appeals affirmed the Morgan County Superior Court’s Order of dismissal and on October 21, 2024 Plaintiffs-Appellants filed a Petition for Writ of Certiorari to the Supreme Court of Georgia. 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. By Order dated April 4, 2024, the Court granted the parties’ Joint Motion to Stay Proceedings. 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 Stanton Springs North Facility.

- Between February 13 and March 29, 2024, three alleged stockholders filed derivative lawsuits, purportedly on behalf of Rivian Automotive, Inc., against certain members of our board of directors, certain current and former Company executives and Rivian Automotive, Inc. (as a nominal defendant) in the Delaware Court of Chancery. These lawsuits alleged claims for purported breach of fiduciary duties and sought unspecified monetary and injunctive relief, corporate governance changes, and attorneys' fees. By Order dated July 1, 2024, the three suits were consolidated under the caption *In re Rivian Automotive, Inc. Stockholder Litigation*, Consolidated Case No. 2024-0127-MTZ. On August 19, 2024, Plaintiffs filed a Verified Consolidated Stockholder Derivative Complaint. By Order dated October 4, 2024 the action is stayed through February 28, 2025.
- On May 31, 2024 an alleged stockholder filed a lawsuit in US District Court, Central District of California (Case No. 2:24-cv-04566) against Rivian Automotive, Inc. and certain Company executives on behalf of a putative class of purchasers of Rivian common stock. The complaint alleges violations of Sections 10(b) and 20(a) of the Exchange Act and seeks damages, interest, attorneys' fees and costs. We believe the alleged stockholder's claims are meritless and intend to vigorously defend against this lawsuit.

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 the risk factors set forth in [Part II, Item 1A "Risk Factors"](#) and the information set forth in [Note 11 "Commitments and Contingencies"](#) to our condensed consolidated financial statements included in this Form 10-Q.

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-Q 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. 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 have incurred net losses since our inception, including net losses of \$3,911 million for the nine months ended September 30, 2023 and \$4,003 million for the nine months ended September 30, 2024. 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, commercial production and 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, and services, and our capability to source materials cost-effectively and manufacture our vehicle portfolio efficiently. In addition, we must effectively manage all aspects of our financial operations, including our sales and revenue flows, operating expenditures, capital expenditures, working capital, and cash flows. Any failure to adequately increase revenues 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.

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 rapidly expanded the 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 scaling our operations, growing our go-to-market, 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 manufacturing facilities and capabilities. These efforts may be more costly than we expect and may not result in sufficient increased revenues 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 retail customer engagement spaces (“spaces”), costs in connection with the expansion of our Normal Factory and construction of our manufacturing facility near Atlanta, Georgia (“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 will also be significantly affected by consumer demand for our current products and services along with anticipated demand for future products and services, and we have limited insight into trends that may emerge and affect our 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 and/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 investor and customer acceptance of our business model, market confidence in our ability to execute against our business 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 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 for the R1T and R1S in the United States and Canada with deposits from \$500-\$3,000. Deposits paid to reserve certain R1T and R1S configurations are cancellable by the customer for a period of time prior to lease or purchase. We have experienced, and may in the future experience, customer cancellations, which may result in lower vehicle unit sales and increased inventory, which could 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 for our R1 vehicles 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. In the first quarter of 2024, we unveiled our new midsize platform (“MSP”) which underpins our R2 and R3 product lines and offered the opportunity for customers to make reservations for the R2 with a cancellable and fully refundable deposit of \$100. We expect to start production of the R2 in 2026. 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, offering the sale of Rivian pre-owned vehicles, 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, 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 materially and adversely affected. 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. 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 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, as well as pre-owned vehicle dealers. 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.

Factors affecting competition include product performance and quality, technological innovation, customer experience, brand differentiation, product design, pricing and total cost of ownership (“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 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 MSP, with R2 being the first variant. Our ability to achieve or maintain profitability will depend on our ability to fund and successfully design, manufacture, introduce, and market new vehicle models that attract a sufficient number of 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 styling demands and preferences, our revenues 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 revenues 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, such as Connect+ and Rivian Autonomy Platform+, 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 are or may be subject to risks associated with strategic alliances or acquisitions.

We have entered into and may from time to time consider entering into additional 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. If we announce any proposed strategic alliance, but are unable to close such proposed transaction, we may suffer negative publicity and it may materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows. 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. For example, in June 2024, we announced with Volkswagen Group the intention to establish a new joint venture electrical architecture and software technology company (the “Rivian and VW JV”) with the focus on software, electric control units, and related network architecture design and development. The planned joint venture is subject to entering into final binding agreements and there can be no assurance that such condition will be met. In connection with this partnership, the Volkswagen Group intends to make an additional investment of up to \$4.0 billion, comprised of approximately \$2.0 billion of direct equity investment which is expected to take place in at least two tranches of \$1.0 billion currently expected to occur in 2025 and 2026, subject to the achievement of certain milestones and obtaining relevant regulatory clearances, and approximately \$2.0 billion related to the planned Rivian and VW JV, which is expected to be split between a payment to us at the inception of the Rivian and VW JV, currently expected to occur in the fourth quarter of 2024, and a loan expected to be made available to one of our subsidiaries in 2026, subject to customary financing conditions, and there can be no assurance that any such conditions will be met. If the Rivian and VW JV is completed, there can be no assurance that we will achieve incremental benefits through savings on material costs, operating expense efficiencies, and future revenue opportunities. The conversion of our unsecured convertible promissory note due June 2026 (“2026 Convertible Note”) issued to Volkswagen Group into shares of Class A common stock, which will automatically occur on December 1, 2024, or Volkswagen Group’s proposed additional equity investments in us, could dilute the ownership interests of existing stockholders.

When appropriate opportunities arise, we have acquired and may in the future 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 effect on our operations. Acquired assets or businesses may not generate the financial results we expect. Acquisitions could 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.

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 took longer than originally expected due to operational and supply chain challenges 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. For example, we had a planned shutdown in April 2024 to implement product and technology enhancements and upgrades, which impacted our production. There can be no assurance that any future planned shutdown will not result in delays or unexpected challenges or that any future planned shutdown will be successful and achieve the expected benefits. Any 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. More recently, Rivian began experiencing a production disruption during the third quarter of 2024 due to a shortage of a component within our Enduro motor system on the R1 and RCV platforms. As a result of this supply shortage, Rivian produced fewer vehicles during the third quarter of 2024. We are taking steps to address the shortage and the impact on production is continuing into the fourth quarter of 2024.

In conjunction with the expansion of our Normal Factory and the construction of our Stanton Springs North Facility and the launch of future products, we expect to manufacture our vehicles in increasingly higher volumes than our present production capabilities. In the first quarter of 2024, we announced the launch of R2 production at our manufacturing facility in Normal, Illinois (“Normal Factory”) and expansion of our production capacity to approximately 215,000 units of annual production. We have limited experience as an organization in high volume manufacturing of EVs, and the Normal Factory is operating significantly below full vehicle production rate capacity, with no certainty as to when we will be successful in expanding our production 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 MSP in the near future, are and will be subject to risks, including with respect to:

- our ability to expand operations at our Normal Factory 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 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;

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.

Furthermore, currency fluctuations, tariffs or shortages in petroleum, and changes in economic or geopolitical conditions, including the ongoing conflict between Russia and Ukraine and in the Middle East, and related attacks or violence in the broader region, may result in significant increases in freight charges and raw material and component costs and significantly impact our ability to receive raw materials or components. Substantial increases in the prices for our raw materials or components or regulatory requirements have in the past increased and could continue to increase our operating costs and reduce our margins. 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, impacts from COVID-19, including associated variants, and the ongoing military conflict between Russia and Ukraine, caused disruptions to and delays in our operations. These included shortages and delays in the supply of certain parts, materials, and equipment necessary to produce our vehicles, and the various internal designs and processes we adopted in an effort to remedy or mitigate impacts of such disruptions and delays resulted in higher costs. 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. 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. 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 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 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. For example, during the third quarter of 2024, Rivian began experiencing a production disruption due to a shortage of a component within our Enduro motor system on the R1 and RCV platforms. As a result of this supply shortage, Rivian produced fewer vehicles during the third quarter of 2024. 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 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.

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 revenues 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, we or our suppliers may have excess inventory, which would indirectly increase our costs. If we underestimate our requirements, we or 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.

A significant portion of our revenues 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.

A significant portion of our revenues has been from Amazon Logistics, Inc. (“Logistics”). Amazon.com, Inc. (together with its affiliates, “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 14.8% of our voting power as of September 30, 2024.

In February 2019, we entered into a commercial letter agreement with Amazon.com, Inc. and its affiliates (“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 agreed to collaborate to design and develop Electric Delivery Vans (“EDVs”) and/or certain component parts for use in Amazon’s last mile delivery operations. 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 electric vehicles (“EVs”), including last mile delivery vehicles, from other 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 sell commercial vans to 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 in collaboration with, or purchasing 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.

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

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 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 trustee of the Rivian Foundation. Dr. Scaringe's position with the Rivian Foundation 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 trustee of the Rivian Foundation, 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.

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 and leasing arrangements for our vehicles through financial institutions. We have an exclusive relationship with one financial institution for leasing in the U.S. 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 adequately grow vehicle sales and attract sufficient demand for our vehicles. We have a limited history of 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 supply and demand of our used vehicles, economic cycles, and the pricing and content of new vehicles. Lower than expected resale values could negatively impact our projected residual values, which would make our leasing program less attractive to 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 in the future, certain adjustments to our prices from time to time in the ordinary course of business, which may impact the residual values of our vehicles and thereby negatively impact the performance of our leasing program.

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

We plan to grow our go-to-market, sales, and service operations 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, both domestically and internationally, and expand additional manufacturing capacity in support of our next vehicle, R2. Our future operating results depend largely on our ability to manage this expansion and growth 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 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 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 costs in connection with the construction of additional facilities or the expansion of existing facilities;
- facing opposition from local anti-development groups or other special interest groups that are adverse to our business interests;
- failing to receive or maintain the support of local, state, federal or international politicians or other policymakers necessary to support expansion or new construction plans; and
- addressing any new markets and potentially unforeseen challenges as they arise.

We may not succeed in maintaining and strengthening our brand, which would materially and adversely affect customer acceptance of our vehicles, products, and 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 European Union (“EU”), and China, have greater name recognition, broader customer relationships, and substantially greater marketing resources than we 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 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, financing, and 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 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 sales channels developed through a franchise system to increase sales volume. Moreover, we will be competing with companies with 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.

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 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 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.

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 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 fires at 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.

We have experienced and may in the future experience operational risks. Such risks, 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 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 from time to time can contain errors, bugs, vulnerabilities, or design 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 systems are subject to certain technical limitations that may compromise our ability to meet our objectives, and our software and hardware can contain errors, bugs, vulnerabilities, or design defects. Some errors, bugs, vulnerabilities, or design defects inherently are difficult to detect and, in some cases, are only discovered after the code has been released for external or internal use. Although we 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.

Additionally, there is a risk that when we deploy updates to the software (whether to address issues, deliver new features or make desired modifications) our over-the-air update procedures fail to properly update the software or otherwise have unintended consequences to the 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 revenues 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 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 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 Direct Current fast charging sites ("Rivian Adventure Network"), which consists of DC fast charging stations in the United States. We market our ability to provide our customers with comprehensive charging solutions, including the Rivian Adventure Network, 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;
- the logistics, including any delays or disruptions, of rolling out and supporting our Rivian Adventure Network 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 current and potential customers, major interstates as well as targeted destination areas, we may be unable to expand the Rivian Adventure Network as fast as we intend or as the public expects, or to place the charging stations in places our customers believe to be 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. 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 the North American Charging Standard (“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 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. 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 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 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 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 can be no assurance that we will be able to maintain acceptable arrangements with our third-party providers. Although such servicing partners may have experience in servicing other vehicles, they 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.

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. There have also been longer wait times for service, which can negatively impact customer experience and satisfaction. In addition, customer behavior and usage and limited experience of collision centers that repair our vehicles can result in 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 internal combustion engine (“ICE”) or the cost of such fuels, may materially and adversely affect our business and prospects in ways we do not currently anticipate. 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 to our vehicles. Any of these, including any failure by us to anticipate customers’ rapidly changing needs, expectations, and preferences, could result in the loss of competitiveness of our vehicles, decreased revenues, 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. 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 vehicles will also require, from time to time, planned and 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 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. Our vehicles also may not achieve the requisite level of advanced driver assistance required for certification in applicable jurisdictions. With this dynamically shifting regulatory environment, there is a risk that we may not satisfy regulatory requirements, in which 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.

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 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 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 Inflation Reduction Act of 2022 (“IRA”), which was enacted into law on August 16, 2022, modified the Internal Revenue Code of 1986 (the “Code”) Section 30D (“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 eliminated the current phase-out for EV manufacturers that sell 200,000 vehicles, thereby 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 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 zero-emission vehicle ("ZEVs"), greenhouse gas ("GHG"), fuel economy, renewable energy and clean fuel. For example, the Federal Corporate Average Fuel Economy ("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 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 U.S. Environmental Protection Agency ("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 and finalized the Advanced Clean Trucks ("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. 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 final, the 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, 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 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 if rates continue to increase substantially or remain relatively high it 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 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

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 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). Since the launch of our first vehicles, we have initiated multiple field actions, including several voluntary recalls, and we expect such field actions to continue and potentially increase in number. 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. As a recent entrant to the automotive market, our risks in this area are particularly pronounced. 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 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.

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 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 Ukraine and in the Middle East) or events of terrorism, and health 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 and hire qualified management, technical, EV, software engineering, and 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.

In addition, Dr. Scaringe and Rose Marcario, current Rivian directors, are also trustees of the Rivian Foundation; and Rivian's Chief Financial Officer ("CFO"), Claire McDonough, serves as Treasurer of the Rivian 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.

Our success also depends, in part, on our continuing ability to identify, attract, hire, 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 and our business, financial condition, results of operations, and cash flows could be adversely affected.

Our ability to attract, hire, 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. Declines in the price of our Class A common stock or negative perceptions on the value of our Class A common stock 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, we have implemented and continue to implement certain cost reduction efforts to reduce material spend, operating expenses, and capital expenditures, including several reductions in 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. In November 2023, the The International Union, United Automobile, Aerospace and Agricultural Implement Workers of America ("UAW") 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 and employees at a previously non-unionized automobile manufacturer recently voted to be represented by the UAW. 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 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 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 revenues from period to period may fluctuate as we identify and investigate areas of demand, adjust volumes and add new product variants based on market demand and margin opportunities, and develop and introduce new EVs or introduce existing EVs to new markets. 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 revenues 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, investment in expansion to new 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.

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 September 30, 2024, our total principal amount of outstanding indebtedness was \$5,475 million. As of September 30, 2024, we had no borrowings under our senior secured asset-based revolving credit facility (“ABL Facility”) and \$134 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 including, for example, \$1,250 million 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 the 2026 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”) and the convertible promissory note purchase agreement governing the 2026 Convertible Note 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 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 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. The 2026 Convertible Note is expected to automatically convert into shares of Class A common stock in accordance with the terms thereof on December 1, 2024. There is no guarantee that we will be able to generate sufficient cash flow or sales to meet these various financial covenants, pay the principal and interest when due under our debt 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 indentures governing the 2026 Notes, the 2029 Green Convertible Notes, and the 2030 Green Convertible Notes, the convertible promissory note purchase agreement governing the 2026 Convertible Note, or any future debt agreement, including failing to make scheduled payments or to meet the financial covenants, would adversely affect 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 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.

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 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 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 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, whereby the sales or purchasing transactions are denominated in currencies other than our functional currency. Although we may manage risks associated with fluctuations in currency and interest rates and 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, Data Security, Privacy, and Intellectual Property

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.

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 been and continue to be subject to ransomware and phishing attacks. While we seek to learn from all attacks directed at us and implement remedial measures where necessary under the framework of our cybersecurity risk management program we have developed and expect our suppliers to do the same, we cannot guarantee that such remedial measures will prevent 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 damage to our reputation; negative publicity; loss of customers and sales; loss of competitive advantages over our competitors; increased costs to remedy any problems and provide any required notifications, including to regulators and individuals, and otherwise respond to any incident; regulatory investigations and enforcement actions; costly 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, 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.

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' 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 a number of other states. 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 individual data, or regarding the manner in which the express or implied consent of 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 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 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

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 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. Third-party services have been and may be subject to errors, disruptions, security issues, or other performance deficiencies. In addition, if 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), our business can be negatively impacted in a number of ways, including in errors or defects in our platforms, failure of our platforms which could adversely affect the experience of our customers, our reputation, and brand, exposure to legal or contractual liability, an increase in our expenses, and interruption in our ability to manage our operations, 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 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:

- 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 our business 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 revenues, 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 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.

There can be no assurance that our pending patent applications will issue as patents. 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 previously 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. 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 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. As a result of these factors, 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.

Our use of 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 software in connection with the development and deployment of our products and services, and we expect to continue to use open source software in the future. Companies that use open source software in connection with their products have, from time to time, faced claims challenging the use of open source software and/or compliance with 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 software or claiming noncompliance with 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 software licenses may require users who distribute proprietary software containing or linked to 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 code under the same open source license, which could include proprietary source code. In such cases, the 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 software and try to ensure that 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 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 software carries greater technical and legal risks than does the use of third-party commercial software. For example, 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 software, any undetected errors or defects in 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.

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 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 permits and other approvals required to build, operate, or expand operations at our manufacturing facilities and face risks in connection with the construction and development of our Stanton Springs North Facility and facilities to support R2 in our Normal Factory.

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 our operations at our Normal Factory and construction and operations at our Stanton Springs North Facility will require additional permits, approvals, certifications, and licenses. See Part II, Item 1 “Legal Proceedings” for additional information on matters related to our Stanton Springs North Facility. Delays, legal challenges by project opponents, denials or restrictions of any applications or assignment of any permits, approvals, certifications, and licenses, whether for the manufacturing facility or any future facility, such as spaces, service centers and parts distribution centers, could adversely affect our ability to execute on our business plans and objectives.

In the first quarter of 2024, we announced the launch of R2 being produced initially at our Normal Factory and a temporary pause in construction on our Stanton Springs North Facility. The construction of the Stanton Springs North Facility and the R2 Normal Factory expansion will require substantial capital and numerous federal, 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 either project. Any significant problems or delays in the construction of the Stanton Springs North Facility or the R2 Normal Factory expansion 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, 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 production or other operations, which could have a material adverse effect on our business, prospects, financial condition, results of 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. New regulations could be enacted at any time, or interpreted, changed, modified, or applied adversely to us, including as a result of presidential, congressional, state and local elections, and judicial rulings, any of which could adversely affect our business, prospects, financial condition, results of operations, and cash flows. We expect to incur significant costs in complying with these regulations. Regulations related to the 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 EV;
- new state regulations of 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 or are interpreted or enforced differently, 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 material and adverse impact on our business, prospects, financial condition, results of operations, and cash flows.

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, 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 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, (2) all items located in the United States, even if only moving in transit through the United 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 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 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 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 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, obtaining or retaining business or otherwise obtaining favorable treatment. Our policies and procedures are designed to comply with these regulations but may not be sufficient and our directors, officers, employees, representatives, consultants, agents, and business partners could engage in improper 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 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, cash flows, and 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 adversely affect our business, prospects, financial condition, results of operations, and cash flows. See Part II, Item 1 “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 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, 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.

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 “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 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.

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 with the goal of accelerating the global transition to zero-emission transportation and energy, 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 have shared 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 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 and other 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 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, on March 6, 2024, the Securities and Exchange Commission (“SEC”) issued final rules that would require companies to provide significantly expanded climate-related disclosures in their periodic reporting. The SEC’s new climate disclosure rules, while currently subject to litigation, may ultimately 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, we expect to be subject to California’s recently enacted climate disclosure laws, which will require in-scope companies to report on greenhouse gas emissions, climate-related financial risks, and the use of carbon offsets and emissions reduction claims relating to corporate operations or products. The future of the California climate disclosure laws is currently uncertain, as two of the three California laws are subject to ongoing litigation, and the third is subject to proposed legislative amendments. Similarly, we expect to 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.

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 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 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;
- market reaction to our proposed joint venture with Volkswagen Group and their proposed additional equity investment in us;
- 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, including, but not limited to, our 2026 Convertible Note issued to Volkswagen Group and their proposed additional equity investments in us;
- short sales, hedging and other derivative transactions involving our capital 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;
- anticipated conversions of the 2029 Green Convertible Notes and 2030 Green Convertible Notes into shares of Class A common stock;
- other events or factors, including those resulting from war, geopolitical tensions such as the ongoing military conflict between Russia and Ukraine and in the Middle East 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 II 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 owned more than 5% of our outstanding common stock before our IPO and their respective affiliates, in the aggregate, hold shares representing approximately 40.3% of the voting power of our outstanding capital stock and 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 delay or prevent a change in control; entrench our management and our board of directors, or impede a merger, consolidation, takeover, or other business combination involving us that other stockholders may desire.

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 8.6% of the voting power of our outstanding capital stock but 2.4% 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 exclude companies with multiple class share structures in certain of their 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.

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 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 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 directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain 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 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. 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. 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 due to climate change, a health epidemic, pandemic or 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 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 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. For example, we have sought insurance coverage in connection with litigation or other legal proceedings. Certain of our carriers have issued denials of coverage and reservations of rights in connection with currently-pending litigation and may do so with respect to future claims, litigation or other legal proceedings. We are currently involved in, and in the future may be involved in, legal disputes regarding insurance coverage. Losses that are not covered by insurance may be substantial and/or unpredictable and 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 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, 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 reservations.

We have remediated the material weaknesses previously reported in our internal control over financial reporting, but if we identify additional material weaknesses in the future or fail to 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. 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. After completing several remedial actions as described in Part II, Item 9A "Controls and Procedures" in the Form 10-K, we have remediated the previously identified material weaknesses as of December 31, 2023.

However, there can be no assurance that the measures we have taken to date, or any actions we may take in the future, 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. 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 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.

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 I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations"](#) included elsewhere in this Form 10-Q, 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 2. Unregistered Sales of Equity Securities and Use of Proceeds

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

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, as filed with the SEC in connection with our IPO.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) None

(b) Not applicable

(c) Rule 10b5-1 Trading Plans

On August 16, 2024, Claire McDonough, the Company's Chief Financial Officer, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act, for the sale of up to 348,813 shares of the Company's Class A common stock. Ms. McDonough's Rule 10b5-1 trading arrangement is scheduled to expire no later than August 29, 2025. Except for the foregoing, during the three months ended September 30, 2024, no other director or "officer" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," each as defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Index

Exhibit Number	Exhibit Title	Incorporated by Reference				Filed / Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation of Rivian Automotive, Inc.	8-K	001-41042	3.1	11/16/2021	
3.2	Amended and Restated Bylaws of Rivian Automotive, Inc.	8-K	001-41042	3.2	11/16/2021	
4.1	Specimen Stock Certificate evidencing the shares of Class A common stock	S-1/A	333-259992	4.1	11/01/2021	
4.2	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	S-1/A	333-259992	4.2	10/22/2021	
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)					*
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)					*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350					**
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350					**
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.

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

(Principal Executive Officer)

Dated: November 7, 2024

By: /s/ Claire McDonough

Claire McDonough

Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

Dated: November 7, 2024

CERTIFICATION

I, Robert J. Scaringe, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: November 7, 2024

CERTIFICATION

I, Claire McDonough, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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 and Principal Accounting Officer)

Dated: November 7, 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 Quarterly Report on Form 10-Q of Rivian Automotive, Inc. (the "Company") for the period ended September 30, 2024 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: November 7, 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 Quarterly Report on Form 10-Q of Rivian Automotive, Inc. (the "Company") for the period ended September 30, 2024 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 and Principal Accounting Officer)

Dated: November 7, 2024