R3E

2025 COMPANY OF THE YEAR

Driving impact across the customer value chain

RECOGNIZED FOR BEST PRACTICES IN THE NORTH AMERICAN ELECTRIC MEDIUM-DUTY VEHICLE PLATFORM INDUSTRY

FROST & SULLIVAN

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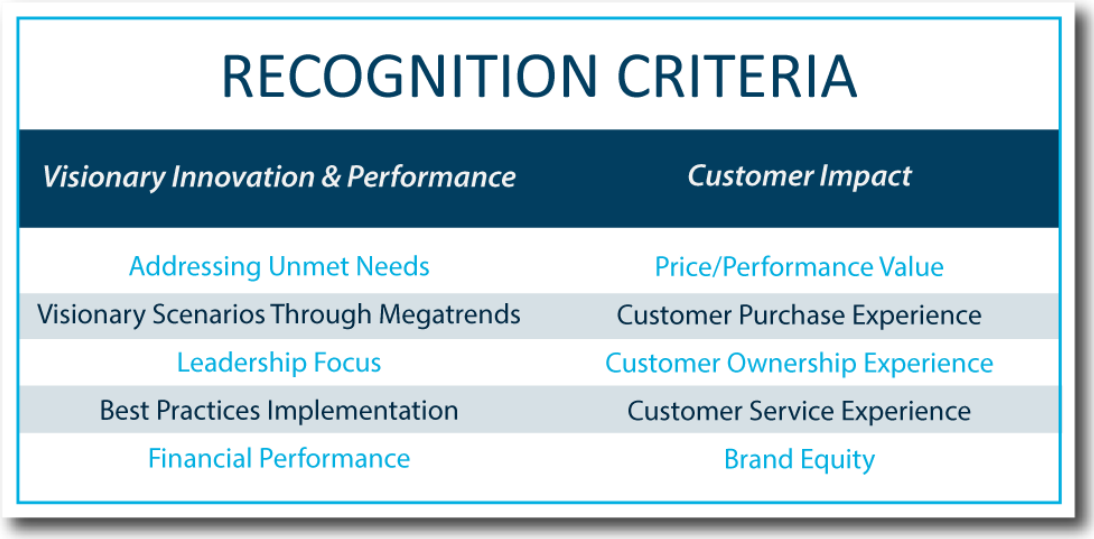
Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. REE Automotive excels in many of the criteria in the electric medium-duty vehicle platform space.



RECOGNITION CRITERIA

Visionary Innovation & Performance	*Customer Impact*
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Megatrends	Customer Purchase Experience
Leadership Focus	Customer Ownership Experience
Best Practices Implementation	Customer Service Experience
Financial Performance	Brand Equity

The Transformation of the Electric Medium-duty Vehicle Platform Industry

The electric medium-duty vehicle platform industry is changing dramatically due to market demand, regulatory restrictions, and technology improvements. The electrification of medium-duty vehicles is increasingly practical and appealing economically and defining this change.

> *"Conventional designs require significant retooling for each model, increasing costs and time to market. REE Automotive's flat and modular EV platform allows manufacturers to mount virtually any body type on the same base, whether for passenger or commercial use, enabling rapid customization at reduced costs."*
>
> ***– Marshall Martin***
> ***Program Manager***

As stakeholders from various industries realize the financial and environmental advantages of switching to electric vehicles (EVs), the future of the electric medium-duty vehicle platform market looks bright. The transition will likely happen quickly, thanks to supportive regulations, technical advancements, and consumer demand. By 2050, battery-electric drivetrains could dominate the medium vehicle category as infrastructure advances and operational effectiveness increases.

Addressing Unmet Needs

Leading EV platform provider REE Automotive fills several critical gaps in the automotive industry. Conventional automakers often struggle to develop adaptable and scalable EV solutions for multiple applications, such as last-mile deliveries, logistics, and passenger transportation. By integrating all key

components of a car, such as steering, braking, suspension, and powertrain, into smaller modules that fit inside the wheel arches, REE Automotive's cutting-edge technology completely reimagines EV architecture. The groundbreaking REEcorner™ addresses an ongoing pain point—the inefficiency of customizing vehicles for specific applications—by offering unmatched scalability and design freedom.

Conventional designs require significant retooling for each model, increasing costs and time to market. REE Automotive's flat and modular EV platform allows manufacturers to mount virtually any body type on the same base, whether for passenger or commercial use, enabling rapid customization at reduced costs.

REE Automotive's offerings fit the need for compact, high-performance electric trucks for city use. The REEboard™ is a modular, flat platform that fully utilizes interior space and has a low step height and tight turn radius, making it suitable for last-mile delivery and urban mobility applications. Using technologies such as drive-by-wire and steer-by-wire, REE Automotive eliminates traditional mechanical linkages, providing high reliability and reduced maintenance costs. The platform's advanced modularity and reduced weight improve energy efficiency, extending vehicle range—another pressing need in the EV market.

REE Automotive's visionary approach delivers a unique value proposition: the flexibility to adapt to various applications, reduce operational costs, and accelerate the transition to sustainable mobility solutions.

Visionary Scenarios Through Megatrends

REE Automotive strategically aligns its operations with megatrends such as electrification, autonomous driving, connectivity, and shared mobility to revolutionize the automotive sector. REE Automotive reimagines vehicle architecture by focusing on modular, scalable platforms, emphasizing flexibility and efficiency. The company's core technology, the REEcorner™, integrates steering, braking, suspension, and powertrain components into the wheel arch, offering OEMs and fleet operators unprecedented design freedom for electric and autonomous vehicles.

REE Automotive capitalizes on electrification trends by developing customizable electric platforms for diverse applications, including last-mile delivery, passenger shuttles, and cargo vans. These platforms reduce production costs while enhancing performance and efficiency. The company collaborates with industry leaders to integrate autonomous capabilities into its platforms. Partnerships with firms such as Hino Motors (Toyota Group) underscore its commitment to delivering connected, self-driving solutions tailored for urban environments. REE Automotive platforms cater to shared mobility by prioritizing lightweight, energy-efficient designs, ensuring cost-effectiveness and reliability for high-utilization fleets.

Notably, REE Automotive has brought the first fully software-driven commercial truck to market, as this megatrend continues to pick up steam in the automotive industry. Software-defined vehicles are expected to comprise 90% of global automotive production by 2030, according to Morgan Stanley, and REE Automotive is already enabling OEMs and fleets to white-label its software-driven chassis and vehicle technology, creating a more flexible, cost-effective path forward.

REE Automotive's partnership with EAVX and Morgan Olson to develop next-generation electric walk-in delivery vans exemplifies its industry-leading achievements. This project has positioned REE Automotive

as a leader in sustainable transportation, boosting investor confidence and driving potential revenue growth through pre-orders and industry recognition. By proactively addressing these megatrends, REE Automotive demonstrates its ability to innovate while taking advantage of emerging opportunities in a rapidly evolving market.

Implementation of Best Practices

REE Automotive, a leader in next-generation electric mobility solutions, embraces several cutting-edge practices. Its proprietary modular platform integrates all drivetrain, suspension, and steering components into the wheel arch. This approach ensures scalability across diverse vehicle types, enabling OEMs to rapidly adapt designs for specific applications. REE Automotive utilizes advanced simulation tools and real-time data analytics to optimize vehicle performance, reduce costs, and enhance durability. Partnering with OEMs, logistics operators, and tech providers, REE Automotive fosters innovation through co-creation and custom solutions, ensuring alignment with market demands. By prioritizing lightweight materials and energy-efficient designs, the company contributes to reducing the carbon footprint of EVs, aligning with global sustainability goals.

> *"REE Automotive's modular platforms streamline production processes, reduce operational costs, and increase profitability while maintaining high-quality standards to ensure faster time-to-market. Green manufacturing practices enhance its brand reputation and attract eco-conscious consumers and investors. Modular systems also provide better adaptability to emerging trends and technologies, allowing the company to address future mobility challenges proactively."*
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Price/Performance Value

REE Automotive's core advantage lies in its innovative REEcorner™ technology, a modular architecture that integrates critical vehicle components such as steering, braking, suspension, and drivetrain into the wheel arch. This design maximizes interior space, provides a flat platform for customization, and enables scalability across multiple vehicle types. Unlike traditional vehicle designs, REE's approach supports greater flexibility for original equipment manufacturers (OEMs) and fleet operators to tailor solutions for specific applications, from last-mile delivery vehicles to passenger transport.

The modular platform allows OEMs to develop a range of vehicle sizes and functionalities efficiently, reducing time-to-market. The solution suits multiple markets, including electric commercial vehicles, logistics, and autonomous driving systems. Lightweight design and optimized powertrain efficiency contribute to reduced environmental impacts. REE Automotive offers customers the best value by combining technological innovation with cost efficiency. Its flat platform design enables streamlined production and lower operating costs for fleet operators, addressing one of the EV market's most critical

pain points. Customers can customize vehicles to specific operational needs, leveraging REE Automotive's flexible platform to optimize functionality without the additional costs of bespoke designs. Frost & Sullivan finds that REE Automotive's innovative modular approach establishes it as a unique EV player delivering scalable, cost-effective, and sustainable solutions.

Customer Ownership Experience

REE Automotive distinguishes itself from competitors by focusing on customer-centric innovation and comprehensive support across the purchase, ownership, and service lifecycle. Its REEcorner and P7 lineup, in particular, deliver significant efficiency, maintenance, and adaptability advantages for various fleet needs.

REE Automotive's vast authorized dealer network in North America, covering 80 locations, ensures extensive support for fleet operations and bolsters the customer purchase experience. The company also offers tailored financing solutions through partnerships with Mitsubishi HC Capital America, simplifying the transition to EVs for fleet operators. These steps make acquiring and maintaining REE Automotive vehicles more accessible and cost-effective than competitors.

REE Automotive forges key partnerships to strengthen its product ecosystem. Collaborations with work-truck body manufacturers including Knapheide and Morgan Truck Body enable fully integrated vehicle solutions for fleet customers. Additionally, its projects with industry leaders such as Penske and U-Haul showcase the versatility of REE Automotive's platforms, with applications ranging from logistics to autonomous vehicles in collaboration with Airbus. Airbus UpNext and REE Automotive are collaborating on an autonomous program utilizing REE's P7-C full by-wire and autonomous-ready technology. REE is working with Airbus UpNext on project "Optimate" – a fully electric REE P7-C "flying truck" - with the ultimate goal to perform a highly efficient automatic 'gate-to-gate' mission on an Airbus commercial airliner. This is made possible by REE Automotive's full by-wire system and has already gone through thousands of hours of tests.

Customer feedback highlights the superior performance and adaptability of REE Automotive's vehicles. In addition to the positive customer responses to the company's demo programs, its order book reflects robust demand—an increase of 289% year-over-year in Q2 2024. Moreover, fleet operators value REE Automotive's cost efficiency, which is aided by federal and state tax incentives, further enhancing its competitive edge.

Brand Equity and Growth Potential

Innovation and sustainability are cornerstones of REE Automotive's branding. Its patented REEcorner™ technology and modular EV platforms are industry game changers, which align the brand with the most advanced technological innovations and environmental consciousness. Collaborations with top-notch partners such as Penske, U-Haul, and Airbus cement the market credibility of this company and make its platforms practical and versatile. The company's branding approach highlights savings in customers' total cost of ownership supported by federal and state tax incentives, which appeal to fleets that value low operating expenses and sustainability. Although REE Automotive is still in the early stages of scaling, its strategic branding has catalyzed a growing order book, which reached $137 million in combined value as of December 2024, reflecting a 230% increase in a short period.

The company is strengthening its presence in North America, as evidenced by its growing dealer network. Expansion into European and Asian markets is also anticipated as global demand for EVs and sustainable transportation solutions rises. As such, REE Automotive plans to ramp up production strategically in the U.S. to boost deliveries of its P7 platforms to meet the rising demand from fleet operators. With certifications in place, the company is well-placed to increase unit sales by several hundred percent in the next few years.

Its collaborations with Knapheide, Morgan Truck Body, and leading financial partners provide a holistic ecosystem for customers, ensuring readiness to capture the evolving electrification wave in the automotive sector. Additionally, REE Automotive's operational efficiency and cost optimization plans align with its long-term growth prospects.

Conclusion

REE Automotive's biggest strengths are industry-leading solutions and features that aim to resolve industry challenges. The company has a clear vision and roadmap for growth, backed by strong technical capabilities and a compelling value proposition for customers in the segment. REE Automotive's ability to stay ahead in product development and be an industry first mover positions it strongly in navigating the challenges and seizing opportunities in the dynamic EV market.

For its strong overall performance, REE Automotive is presented with Frost & Sullivan's 2025 Company of the Year Recognition in the North American Electric Medium-duty Vehicle Platform industry.

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What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

For the Company of the Year Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed to create growth opportunities across the entire value chain

Visionary Scenarios Through Megatrends: Long-range scenarios are incorporated into the innovation strategy by leveraging mega trends and cutting-edge technologies, thereby accelerating the transformational growth journey

Leadership Focus: The company focuses on building a leadership position in core markets to create stiff barriers to entry for new competitors and enhance its future growth potential

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate consistent, repeatable, and scalable success

Financial Performance: Strong overall business performance is achieved by striking the optimal balance between investing in revenue growth and maximizing operating margin

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

		VALUE IMPACT	
STEP		WHAT	WHY
1	**Opportunity Universe**	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	**Transformational Model**	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	**Ecosystem**	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	**Growth Generator**	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	**Growth Opportunities**	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	**Frost Radar**	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	**Best Practices**	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	**Companies to Action**	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)

